

Message Text

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PAGE 01 BONN 01482 01 OF 03 261142Z

ACTION OES-06

INFO OCT-01 EUR-12 ISO-00 FEA-01 NRC-05 IO-13 SSO-00
NSCE-00 INRE-00 USIE-00 AID-05 CEA-01 CIAE-00 CIEP-01
COME-00 DODE-00 EB-08 FPC-01 H-01 INR-07 INT-05 L-03
NSAE-00 NSC-05 OMB-01 PM-04 SP-02 SS-15 STR-04
TRSE-00 ACDA-07 /108 W
-----261158Z 050215 /10

O R 261129Z JAN 77

FM AMEMBASSY BONN

TO SECSTATE WASHDC IMMEDIATE 5050

ERDA WASHDC IMMEDIATE

ERDA GERMANTOWN IMMEDIATE

INFO USMISSION EC BRUSSELS

AMEMBASSY PARIS

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E.O. 11652: N/A

TAGS: TECH, ENRG, PARM, GW

SUBJECT: ERDA/BMFT ARRANGEMENT FOR COOPERATION IN
GAS-COOLED REACTOR (GCR) CONCEPTS

REF: STATE 012915 B, BONN 950

1. SUMMARY: EMBOFFS PASSED SIDE LETTERS CONTAINED
REF A TO BMFT ON JANUARY 20. ON JANUARY 24, BMFT
OFFICIAL PROPOSED AMENDMENTS TO TEXTS BELIEVED NECESSARY
TO MEET FRG OBLIGATIONS TO FRENCH AND TO CLARIFY SAFE-
GUARDS OBLIGATIONS TO BE ACCEPTED BY FRG IN GCR CON-
TEXT. BMFT REP EXPLAINED THAT INTRODUCTION OF SAFE-
GUARDS TOPIC BY ERDA BROUGHT FRG FOREIGN OFFICE INTO
NEGOTIATION. BMFT DESIRES TO SIGN AGREEMENT ASAP AND
FEARS THAT ADDITIONAL DELAY WILL RESULT IN FRENCH
REQUEST TO OPEN UP TEXT OF AGREEMENT FOR TRILATERAL
NEGOTIATION. ACTION REQUESTED: SEE PARA 14. RESPONSE
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PAGE 02 BONN 01482 01 OF 03 261142Z

REQUESTED ASAP. END SUMMARY.

2. IN BMFT VIEW, FIRST "SIDE LETTER" PROPOSED BY ERDA
(PARA 7, REF A) STRIKES TOO NEGATIVE A TONE. GERMANS
FEEL THAT THEIR AGREEMENT WITH THE FRENCH OF MAY 18,
1976, REQUIRES THEM TO BE MORE FORTHCOMING. ACCORDINGLY,
BMFT PROPOSES THAT GRUBER, CHIEF OF OFFICE FOR BILATERAL

COOPERATION, WRITE "SIDE LETTER" TO VENER, ERDA REP. TEXT (INFORMAL TRANSLATION IN PARA 3, BELOW) WOULD FOLLOW REF A ERDA PROPOSAL, BUT AVOID CHARACTERIZATION OF FRENCH AS "OBSERVERS" AND THE IMPLICIT LIMITATION ON FRENCH PARTICIPATION CONTAINED IN LAST SENTENCE OF THIS FIRST ERDA "SIDE LETTER". VENER WOULD THEN RESPOND BRIEFLY, IN ANOTHER SIDE LETTER, TO REINTRODUCE CONCEPT OF FRENCH OBSERVERS AND THEIR LIMITED PARTICIPATION, AS REQUIRED BY ERDA IN REF A TEXT.

3. BEGIN INFORMAL TRANSLATION: QUOTE:

DEAR DR. VENER: I REFER TO THE AGREEMENT ABOUT COOPERATION IN THE FIELD OF GAS-COOLED REACTORS CONCLUDED BETWEEN ERDA AND BMFT ON (DATE). THE BMFT WELCOMES THE INTENTION OF THE FRENCH CEA TO PARTICIPATE IN THIS COOPERATION AND BELIEVES THAT THE RELEVANT NEGOTIATIONS BETWEEN THE CEA, BMFT AND ERDA SHOULD BE FINISHED AS QUICKLY AS POSSIBLE. IN THE MEANTIME, THE CEA, IN CONSIDERATION OF ITS FUTURE PARTICIPATION, SHOULD BE AUTHORIZED TO PARTICIPATE IN THE SESSIONS OF THE JOINT BMFT/ERDA COMMITTEE. SIGNED GRUBER. END INFORMAL TRANSLATION. END QUOTE.

4. BMFT PROPOSAL FOR VENER RESPONSE: QUOTE:

DEAR HERR GRUBER: I REFER TO YOUR LETTER OF (DATE) CONCERNING THE ERDA/BMFT AGREEMENT ON GAS-COOLED REACTORS AND IN PARTICULAR THE PARTICIPATION OF THE FRENCH CEA. WE AGREE TO INVITING CEA OBSERVERS TO ATTEND BMFT/ERDA JOINT COMMITTEE MEETINGS THAT ARE DIRECTED TOWARD LIMITED OFFICIAL USE

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PAGE 03 BONN 01482 01 OF 03 261142Z

FUTURE DELINEATION OF COOPERATIVE ENDEAVORS UNDER THE AGREEMENT. END QUOTE.

5. FURTHER COMMENT ON FIRST SIDE LETTER: BMFT BELIEVES IT DESIRABLE THAT THEY INITIATE ANY CORRESPONDENCE INVOLVED. BMFT REPS NOTE THAT NEGOTIATIONS WITH THE FRENCH HAVE ALREADY BEGUN, IN THEIR VIEW (I.E. WITH BONN 21512, AND THIS FACT SHOULD BE ACKNOWLEDGED IMPLICITLY.

6. RE: SECOND SIDE LETTER (PARA 8, REF A): BMFT REPS EXPLAINED THAT THIS GIVES THEM SERIOUS PROBLEMS IN TWO RESPECTS. FIRST: IT OBLIGATES THE FRG, AT LEAST BY IMPLICATION, TO ACCEPT ALL THE NON-PROLIFERATION OBJECTIVES OUTLINED BY PRESIDENT FORD IN HIS STATEMENT OF OCTOBER 28, 1976. SECONDLY, IN THE LAST PARAGRAPH, IT IMPLIES INCORRECTLY THAT CERTAIN NON-PROLIFERATION APPROACHES HAVE BEEN DISCUSSED IN DETAIL AND MUTUALLY

ACCEPTED.

7. ACCORDINGLY, BMFT (STRONGLY SUPPORTED BY FRG FOREIGN

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PAGE 01 BONN 01482 02 OF 03 261145Z

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INFO OCT-01 EUR-12 ISO-00 NRC-05 IO-13 SSO-00 NSCE-00
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ACDA-07 /107 W

-----261155Z 050237 /11

O R 261129Z JAN 77

FM AMEMBASSY BONN

TO SECSTATE WASHDC IMMEDIATE 5051

ERDA WASHDC IMMEDIATE

ERDA GERMANTOWN IMMEDIATE

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LIMITED OFFICIAL USE SECTION 02 OF 03 BONN 01482

OFFICE, PROPOSES THE DELETION OF THE ENTIRE SECOND PARAGRAPH OF THE SECOND SIDE LETTER, I.E. "THE USERDA CONVEYS ...DATED OCTOBER 28, 1976." AS A SECOND CHOICE -- MUCH LESS DESIRABLE IN BMFT VIEW -- GERMANS COULD ACCEPT DELETION OF THE LAST PHRASE IN THE SECOND PARAGRAPH, I.E. " ...ENUNCIATED IN THE STATEMENT OF THE PRESIDENT OF THE UNITED STATES ON NUCLEAR POLICY, DATED OCTOBER 28, 1976." A CONSEQUENTIAL DELETION OF THE WORD "THE" WOULD THEN BE REQUIRED BEFORE THE PHRASE "NUCLEAR NON-PROLIFERATION OBJECTIVES" WHICH WOULD END THE PARAGRAPH.

8. THE BMFT PROPOSES THAT THE FOLLOWING SENTENCE BE DELETED FROM THE LAST PARAGRAPH OF THE SECOND SIDE LETTER, I.E. " ...SOME APPROACHES IN THIS REGARD HAVE BEEN DISCUSSED DURING PAST TECHNICAL MEETINGS

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PAGE 02 BONN 01482 02 OF 03 261145Z

BETWEEN THE PARTIES, INCLUDING A PROPOSAL TO EVALUATE THE DEVELOPMENT OF HTGR SYSTEMS USING URANIUM WITH AN ENRICHMENT LEVEL BELOW 93 PERCENT." ACCORDING TO BMFT OFFICIALS, THIS STATEMENT IS NOT STRICTLY CORRECT, ALTHOUGH THEY RECOGNIZE THE RIGHT OF THE US SIDE TO INCLUDE SUCH A TOPIC ON THE AGENDA OF THE FIRST MEETING, IF WE WISH.

9. SHOULD ERDA BE WILLING TO AMEND SECOND LETTER AS PROPOSED BY BMFT, THEN BMFT WOULD BE WILLING TO ACKNOWLEDGE ITS RECEIPT AS FOLLOWS: INFORMAL TRANSLATION:
DEAR DR. VENER: I REFER TO YOUR LETTER OF ... WITH RESPECT TO CONSIDERATION OF POINTS OF NON-PROLIFERATION POLICY DURING THE IMPLEMENTATION OF THE BMFT/ERDA AGREEMENT ABOUT GAS-COOLED REACTORS. I RECEIVED WITH INTEREST THE PROPOSALS COMMUNICATED BY ERDA, WHICH SHOULD BE NEGOTIATED IN THE JOINT BMFT/ERDA COMMITTEE. SIGNED GRUBER. END INFORMAL TRANSLATION.

10. BEGIN EMBASSY COMMENTS: THE USE OF THE GRUBER-VENER CHANNEL FOR BOTH COMMUNICATIONS IS DESIGNED, IN THE BMFT VIEW, TO TREAT THESE QUESTIONS AT A RELATIVELY INFORMAL AGENCY-AGENCY LEVEL.

11. ERDA REP AND EMBASSY S&T COUNSELOR, WHEN PRESENTING REF A SIDE LETTERS TO BMFT REPS, PROPOSED THAT STATEMENT ABOUT FRENCH PARTICIPATION BE HANDLED AT LOWEST POSSIBLE LEVEL OF VISIBILITY, FOR EXAMPLE, AS A UNILATERAL NON-PAPER DELIVERED TO THE BMFT BY THE ERDA REP TO BE USED IN ANY WAY THE BMFT FOUND NECESSARY TO MAINTAIN THEIR RELATIONSHIP WITH THE FRENCH. THE CURRENT BMFT PROPOSAL FOR AN EXCHANGE OF LETTERS, WITH THE US RESPONDING TO A GERMAN INITIATIVE, REPRESENTS AN ESCALATION OF OUR SUGGESTION. BMFT REP, HOWEVER, DID SUGGEST THAT THESE LETTERS, AFTER THE EXCHANGE, NOT BE FURTHER DISSEMINATED. EMBOFF PROPOSED, AS ALTERNATIVE, THAT SUBSTANCE OF
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PAGE 03 BONN 01482 02 OF 03 261145Z

THESE LETTERS BE INCLUDED IN A CASUAL EXCHANGE OF REMARKS BETWEEN FRG RESEARCH MINISTER AND US AMBASSADOR, AFTER THE SIGNING CEREMONY. BMFT WILL CONSIDER WHETHER THIS TREATMENT WOULD SATISFY THEIR OBLIGATIONS TO FRENCH.

12. WITH RESPECT TO SECOND SIDE LETTER: ERDA REP AND

S&T COUNSELOR HAD INFORMED BMFT THAT THIS TEXT SHOULD RECEIVE SOMEWHAT MORE FORMAL TREATMENT. FOLLOWING BMFT PROPOSALS FOR AMENDMENT DESCRIBED ABOVE, S&T COUNSELOR ATTEMPTED TO IDENTIFY THE SPECIFIC NON-PROLIFERATION OBJECTIVES FROM THE FORD STATEMENT TO WHICH THE FRG COULD NOT SUBSCRIBE. BMFT REP WAS NOT PREPARED TO DEBATE THIS POINT BUT IT DID APPEAR THAT PRESIDENT FORD'S PROPOSAL FOR RESTRAINT IN EXPORT OF SENSITIVE TECHNOLOGIES MAY BE THE POINT AT ISSUE. BMFT REP WAS AWARE OF NATURAL RESOURCES DEFENSE COUNCIL (NRDC) PETITION TO INTERVENE IN NRC CONSIDERATION OF LICENSE FOR EXPORT OF HIGHLY-ENRICHED URANIUM TO FRG AND THE NRDC CHARGE THAT HIGH TEMPERATURE REACTOR TECHNOLOGY IS SENSITIVE AND MAY BE EXPORTED BY FRG. IN GENERAL, HOWEVER, BMFT AND FOREIGN OFFICE RESERVATIONS SEEMED TO RELATE ONLY TO COMPLEXITY OF FORD STATEMENT AND FRG DESIRE TO AVOID MISUNDERSTANDINGS. EMBOFF EMPHASIZED THAT THIS SECOND LETTER WAS A UNILATERAL EXPRESSION OF HOPE THAT OUR COOPERATION WOULD ACHIEVE NON-PROLIFERATION AND OTHER VALUABLE OBJECTIVES. TO TEST FRG POSITION, EMBOFF ASKED WHETHER FRG WOULD BE PREPARED SIMPLY TO RECEIVE LETTER WITH REF A TEXT, BUT WITHOUT RESPONSE. BMFT REP ANSWERED THAT FOREIGN OFFICE WAS NOW INVOLVED AND EVEN RECEIPT OF SUCH A STATEMENT WITHOUT A GERMAN RESPONSE COULD HAVE IMPLICATIONS FRG WAS NOT WILLING TO ACCEPT.

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PAGE 01 BONN 01482 03 OF 03 261146Z
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O R 261129Z JAN 77
FM AMEMBASSY BONN
TO SECSTATE WASHDC IMMEDIATE 5052
ERDA WASHDC IMMEDIATE
ERDA GERMANTOWN IMMEDIATE
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LIMITED OFFICIAL USE SECTION 03 OF 03 BONN 01482

13. WITH RESPECT TO EVALUATION OF HTGR SYSTEMS USING LOW-ENRICHED URANIUM: EMBASSY S&T COUNSELOR SUGGESTS THAT THERE MAY BE A MISUNDERSTANDING OF GERMAN PROGRAMS IN THIS AREA. THE THORIUM HIGH TEMPERATURE REACTOR (THTR) DEVELOPMENT PROGRAM REQUIRES HIGHLY ENRICHED URANIUM (SEE PARA 4, BONN 19361), AND THERE IS NO SIGNIFICANT EFFORT HERE TO STUDY THE USE OF LOW-ENRICHMENT FUEL IN THIS CYCLE. HOWEVER, FOLLOWING DR. IKLE'S CHARACTERIZATION OF HIGH TEMPERATURE GAS-COOLED REACTORS AS "FAR FROM BENIGN", THE FRG NUCLEAR CENTER AT JUELICH WAS MOTIVATED TO DISPROVE, IF POSSIBLE, THIS ALLEGATION. A STUDY WAS BEGUN TO INVESTIGATE THE UTILITY OF LOW-ENRICHED URANIUM IN HIGH TEMPERATURE REACTORS. RESULTS TO DATE SUGGEST THAT A HIGH TEMPERATURE REACTOR USING LOW-ENRICHED URANIUM TO VERY HIGH BURN-UPS (I.E. 10 LIMITED OFFICIAL USE

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PAGE 02 BONN 01482 03 OF 03 261146Z

PERCENT TO 130,000 MWD/T) WOULD PRODUCE LESS PLUTONIUM THAN LIGHT WATER AND HEAVY WATER REACTORS AND THAT A ONCE THROUGH CYCLE MIGHT BE POSSIBLE AND ECONOMIC. PLEASE NOTE: THESE RESULTS WERE MOTIVATED BY A DESIRE TO DISPROVE A CHARGE WHICH, IF TRUE, WOULD HAVE BEEN FATAL TO THE GERMAN HTR PROGRAM, AND THE RESULTS TO DATE DO NOT REPEAT NOT HAVE ANY RELEVANCE TO THE CURRENT FRG REQUIREMENT FOR A RELIABLE SUPPLY OF HIGHLY-ENRICHED URANIUM FROM THE US FOR THE CONTINUATION OF THEIR THORIUM CYCLE DEVELOPMENT PROGRAM WHICH EMPLOYS, OF COURSE, THE HIGH TEMPERATURE GAS-COOLED REACTOR.

14. EMBASSY RECOMMENDATIONS: WE RECOMMEND:

- A. THAT THE TEXT OF THE FIRST LETTER, AS PROPOSED BY THE BMFT IN PARA 3, BE DELIVERED ORALLY BY THE FRG RESEARCH MINISTER AFTER THE SIGNING CEREMONY. THE AMERICAN AMBASSADOR WOULD THEN RESPOND TO WELCOME FRENCH OBSERVERS AT MEETINGS OF THE JOINT COMMITTEE CONVENED TO PLAN THE FUTURE PROGRAM, PENDING COMPLETION OF THE NEGOTIATIONS NOW IN PROGRESS.
- B. THAT THE USG ACCEPT THE ALTERNATE FRG PROPOSAL (PARA 7, ABOVE) TO DELETE " ...ENUNCIATED...1976." AND THE DELETION OF THE SENTENCE "SOME APPROACHES... 93 PERCENT." FROM THE LAST PARAGRAPH OF THE SECOND SIDE LETTER. WE BELIEVE THAT US OBJECTIVE IS ACHIEVED WITH THIS AMENDED TEXT AND THE RESULTANT

GERMAN ACKNOWLEDGMENT. WE ASSUME THAT AN EXCHANGE
OF LETTERS BETWEEN VENER AND GRUBER WILL BE SATIS-
FACTORY FOR THIS PURPOSE.

15. PLEASE ADVISE ASAP, WITH AN AUTHORIZATION FOR THE
AMBASSADOR TO SIGN THE DECEMBER 22 TEXT AND CONFIRM-
ATION THAT THE TEXTS CONFORM, AS REQUESTED IN REF B.
STOESSEL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NUCLEAR AGREEMENTS, NUCLEAR COOPERATION PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 26-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BONN01482
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770028-0309
Format: TEL
From: BONN
Handling Restrictions: n/a
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Line Count: 339
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Litigation History:
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